

COPY

Form 1065

U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2002, or tax year beginning , and ending

2002

Department of the Treasury
Internal Revenue Service

See separate instructions.

| | | | |
|--|--|--|--|
| A Principal business activity REAL ESTATE | Use the IRS label. Otherwise, print or type. | Name of partnership CAPTAIN PARKER ARMS | D Employer identification number 04-6161511 |
| B Principal product or service RENTALS | | Number, street, and room or suite no. If a P.O. box, see page 14 of the instructions. 114 WALTHAM STREET | E Date business started 1/01/65 |
| C Business code number 531110 | | City or town, state, and ZIP code LEXINGTON MA 02420 | F Total assets (see page 14 of the instructions) \$ 2,593,512 |

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return
H Check accounting method: (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other (specify)
I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year **7**

Caution: Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

| | | | | |
|--|--|------------|--------------------|---------------------|
| Income | 1a Gross receipts or sales | 1a | | |
| | b Less returns and allowances | 1b | | 1c |
| | 2 Cost of goods sold (Schedule A, line 8) | | | 2 |
| | 3 Gross profit. Subtract line 2 from line 1c | | | 3 |
| | 4 Ordinary inc. (loss) from other partnerships, estates, & trusts (att. sch.) | | | 4 |
| | 5 Net farm profit (loss) (attach Schedule F (Form 1040)) | | | 5 |
| | 6 Net gain (loss) from Form 4797, Part II, line 18 | | | 6 |
| | 7 Other income (loss) (attach schedule) | | | 7 |
| 8 Total income (loss). Combine lines 3 through 7 | | | 8 | |
| Deductions (see pg. 15 of the instructions for limitations) | 9 Salaries and wages (other than to partners) (less employment credits) | | | 9 |
| | 10 Guaranteed payments to partners | | | 10 |
| | 11 Repairs and maintenance | | | 11 |
| | 12 Bad debts | | | 12 |
| | 13 Rent | | | 13 |
| | 14 Taxes and licenses | | | 14 |
| | 15 Interest | | | 15 |
| | 16a Depreciation (if required, attach Form 4562) | 16a | 128,116 | |
| | b Less depreciation reported on Schedule A and elsewhere on return | 16b | 128,116 | 16c 0 |
| | 17 Depletion (Do not deduct oil and gas depletion.) | | | 17 |
| | 18 Retirement plans, etc. | | | 18 |
| | 19 Employee benefit programs | | | 19 |
| 20 Other deductions (attach schedule) | | | 20 | |
| 21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20 | | | 21 0 | |
| 22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8 | | | 22 | |

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Signature of general partner or limited liability company member

Date

Paid Preparer's Use Only

| | | | |
|---|------------------------|---|--|
| Preparer's signature <i>C. Kennedy</i> | Date 3/23/03 | Check if self-employed <input type="checkbox"/> | Preparer's SSN or PTIN P00095352 |
| Firm's name (or yours if self-employed) KENNEDY & KENNEDY, CPAS | EIN 04-3429491 | Phone no. 781-740-2220 | |
| address, and ZIP code 175 DERBY STREET HINGHAM, MA 02043 | | | |

For Paperwork Reduction Act Notice, see separate instructions.
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rm 1065 (2002)

DORMAN-CD 000920

Form 1065 (2002) **CAPTAIN PARKER ARMS****04-6161511**

Page 2

Schedule A Cost of Goods Sold (see page 19 of the instructions)

| | | | |
|---|--|---|--|
| 1 | Inventory at beginning of year | 1 | |
| 2 | Purchases less cost of items withdrawn for personal use | 2 | |
| 3 | Cost of labor | 3 | |
| 4 | Additional section 263A costs (attach schedule) | 4 | |
| 5 | Other costs (attach schedule) | 5 | |
| 6 | Total. Add lines 1 through 5 | 6 | |
| 7 | Inventory at end of year | 7 | |
| 8 | Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2 | 8 | |

9a Check all methods used for valuing closing inventory:

(i) ☐ Cost as described in Regulations section 1.471-3

(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4

(iii) ☐ Other (specify method used and attach explanation) ▶

b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ▶ ☐ Yes ☐ No

c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐ Yes ☐ No

d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? ☐ Yes ☐ No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No

If "Yes," attach explanation.

Schedule B Other Information

| | Yes | No |
|---|-----|-------------------------------------|
| 1 What type of entity is filing this return? Check the applicable box: | | |
| a <input checked="" type="checkbox"/> Domestic general partnership | | |
| b <input type="checkbox"/> Domestic limited partnership | | |
| c <input type="checkbox"/> Domestic limited liability company | | |
| d <input type="checkbox"/> Domestic limited liability partnership | | |
| e <input type="checkbox"/> Foreign partnership | | |
| f <input type="checkbox"/> Other ▶ | | |
| 2 Are any partners in this partnership also partnerships? | | <input checked="" type="checkbox"/> |
| 3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment | | <input checked="" type="checkbox"/> |
| 4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see Designation of Tax Matters Partner below | | <input checked="" type="checkbox"/> |
| 5 Does this partnership meet all three of the following requirements? | | |
| a The partnership's total receipts for the tax year were less than \$250,000; | | |
| b The partnership's total assets at the end of the tax year were less than \$600,000; and | | |
| c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return. | | |
| If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 | | |
| 6 Does this partnership have any foreign partners? If "Yes," the partnership may have to file Forms 8804, 8805 and 8813. See page 20 of the instructions | | <input checked="" type="checkbox"/> |
| 7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? | | <input checked="" type="checkbox"/> |
| 8 Has this partnership filed, or is it required to file, Form 8264, Application for Registration of a Tax Shelter ? | | <input checked="" type="checkbox"/> |
| 9 At any time during calendar year 2002, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ | | <input checked="" type="checkbox"/> |
| 10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 20 of the instructions | | <input checked="" type="checkbox"/> |
| 11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under Elections Made By the Partnership on page 8 of the instructions | | <input checked="" type="checkbox"/> |
| 12 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships , attached to this return ▶ | | <input checked="" type="checkbox"/> |

Designation of Tax Matters Partner (see page 21 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

| | | | |
|---------------------------|------------------------------|---------------------------|----------------------|
| Name of designated TMP | ▶ CHARLENE DORMAN | Identifying number of TMP | ▶ 018-32-5649 |
| Address of designated TMP | ▶ 320 ARLINGTON WAY | | |
| | ▶ MENLO PARK CA 94025 | | |

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Form 1065 (2002)

DORMAN-CD 000921

Form 1065 (2002)

CAPTAIN PARKER ARMS

04-6161511

Page 3

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

| | | (a) Distributive share items | (b) Total amount |
|--|---|--|------------------|
| Income (Loss) | 1 | Ordinary income (loss) from trade or business activities (page 1, line 22) | 1 |
| | 2 | Net income (loss) from rental real estate activities (attach Form 8825) | 2 |
| | 3a | Gross income from other rental activities | 3a |
| | 3b | Expenses from other rental activities (attach sch.) | 3b |
| | 3c | Net income (loss) from other rental activities. Subtract line 3b from line 3a | 3c |
| | 4 | Portfolio income (loss): a Interest income | 4a |
| | 4b | Ordinary dividends | 4b |
| | 4c | Royalty income | 4c |
| | 4d | Net short-term capital gain (loss) (attach Schedule D (Form 1065)) | 4d |
| | 4e(1) | (1) Net long-term capital gain (loss) (attach Schedule D (Form 1065)) | 4e(1) |
| | 4e(2) | (2) 28% rate gain (loss) (3) Qualified 5-year gain | 4e(2) |
| 4f | f Other portfolio income (loss) (attach schedule) | 4f | |
| 5 | Guaranteed payments to partners | 5 | |
| 6 | Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797) | 6 | |
| 7 | Other income (loss) (attach schedule) | 7 | |
| Deductions | 8 | Charitable contributions (attach schedule) | 8 |
| | 9 | Section 179 expense deduction (attach Form 4562) | 9 |
| | 10 | Deductions related to portfolio income (itemize) | 10 |
| | 11 | Other deductions (attach schedule) | 11 |
| Credits | 12a | Low-income housing credit: | 12a |
| | 12a(1) | (1) From partnerships to which section 42(j)(5) applies | 12a(1) |
| | 12a(2) | (2) Other than on line 12a(1) | 12a(2) |
| | 12b | b Qualified rehabilitation expenditures related to rental real estate act. (att. Form 3468) | 12b |
| | 12c | c Credits (other than cr. shown on lines 12a & 12b) related to rental real estate activities | 12c |
| 12d | d Credits related to other rental activities | 12d | |
| 13 | Other credits | 13 | |
| Investment Interest | 14a | Interest expense on investment debts | 14a |
| | 14b(1) | b (1) Investment income included on lines 4a, 4b, 4c, and 4f above | 14b(1) |
| 14b(2) | (2) Investment expenses included on line 10 above | 14b(2) | |
| Self- Employ- ment | 15a | Net earnings (loss) from self-employment | 15a |
| | 15b | b Gross farming or fishing income | 15b |
| | 15c | c Gross nonfarm income | 15c |
| Adjust- ments and Tax Preference Items | 16a | Depreciation adjustment on property placed in service after 1986 | 16a |
| | 16b | b Adjusted gain or loss | 16b |
| | 16c | c Depletion (other than oil and gas) | 16c |
| | 16d(1) | d (1) Gross income from oil, gas, and geothermal properties | 16d(1) |
| | 16d(2) | (2) Deductions allocable to oil, gas, and geothermal properties | 16d(2) |
| 16e | e Other adjustments and tax preference items (attach schedule) | 16e | |
| Foreign Taxes | 17a | Name of foreign country or U.S. possession | 17a |
| | 17b | b Gross income from all sources | 17b |
| | 17c | c Gross income sourced at partner level | 17c |
| | 17d(1) | d Foreign gross income sourced at partnership level: | 17d(1) |
| | 17d(2) | (1) Passive (2) Listed categories (attach schedule) (3) General limitation | 17d(2) |
| | 17e(1) | e Deductions allocated and apportioned at partner level: | 17e(1) |
| | 17e(2) | (1) Interest expense (2) Other | 17e(2) |
| | 17f(1) | f Deductions allocated & apptn. at ptrshp. level to foreign source inc.: | 17f(1) |
| 17f(2) | (1) Passive (2) Listed categories (attach schedule) (3) General limitation | 17f(2) | |
| 17g | g Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/> | 17g | |
| 17h | h Reduction in taxes available for credit (attach schedule) | 17h | |
| Other | 18 | Section 59(e)(2) expenditures: | 18 |
| | 18a | a Type b Amount | 18a |
| | 19 | 19 Tax-exempt interest income | 19 |
| | 20 | 20 Other tax-exempt income | 20 |
| | 21 | 21 Nondeductible expenses | 21 |
| | 22 | 22 Distributions of money (cash and marketable securities) | 22 |
| | 23 | 23 Distributions of property other than money | 23 |
| 24 | 24 Other items & amounts required to be reported separately to partners (att. sch.) | 24 | |

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Form 1065 (2002)

DORMAN-CD 000922

Form 1065 (2002) **CAPTAIN PARKER ARMS**

04-6161511

Page 4

Analysis of Net Income (Loss)

| | | | | | | | |
|--|---------------|--------------------------|----------------------------|------------------|-------------------------|--------------------|----------------|
| 1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17g, and 18b | | | | | | 1 | 537,226 |
| 2 Analysis by partner type: | (i) Corporate | (ii) Individual (active) | (iii) Individual (passive) | (iv) Partnership | (v) Exempt organization | (vi) Nominee/Other | |
| a General partners | | | 537,226 | | | | |
| b Limited partners | | | | | | | |

Note: Schedules L, M-1 and M-2 are not required if Question 5 of Schedule B is answered "Yes."

| Schedule L Balance Sheets per Books | | Beginning of tax year | | End of tax year | |
|--|-------------------|-----------------------|-------------------|------------------|------------------|
| Assets | | (a) | (b) | (c) | (d) |
| 1 Cash | | | 21,579 | | 256,354 |
| 2a Trade notes and accounts receivable | | | | | |
| b Less allowance for bad debts | | | | | |
| 3 Inventories | | | | | |
| 4 U.S. government obligations | | | | | |
| 5 Tax-exempt securities | | | | | |
| 6 Other current assets (attach schedule) | SEE STMT 2 | | | | 5,329 |
| 7 Mortgage and real estate loans | | | | | |
| 8 Other investments (attach schedule) | | | | | |
| 9a Buildings and other depreciable assets | | 4,092,688 | | 3,923,310 | |
| b Less accumulated depreciation | | 1,901,380 | 2,191,308 | 1,719,312 | 2,203,998 |
| 10a Depletable assets | | | | | |
| b Less accumulated depletion | | | | | |
| 11 Land (net of any amortization) | | | 36,338 | | 36,338 |
| 12a Intangible assets (amortizable only) | | | | | |
| b Less accumulated amortization | | | | | |
| 13 Other assets (attach schedule) | SEE STMT 3 | | 89,967 | | 91,493 |
| 14 Total assets | | | 2,339,192 | | 2,593,512 |
| Liabilities and Capital | | | | | |
| 15 Accounts payable | | | 37,061 | | 64,080 |
| 16 Mortgages, notes, bonds payable in less than 1 year | | | 198,676 | | 129,604 |
| 17 Other current liabilities (attach schedule) | SEE STMT 4 | | 116,842 | | 131,912 |
| 18 All nonrecourse loans | | | | | |
| 19 Mortgages, notes, bonds payable in 1 year or more | | | 3,075,923 | | 3,220,000 |
| 20 Other liabilities (attach schedule) | | | | | |
| 21 Partners' capital accounts | | | -1,089,310 | | -952,084 |
| 22 Total liabilities and capital | | | 2,339,192 | | 2,593,512 |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

| | | | |
|---|----------------|--|----------------|
| 1 Net income (loss) per books | 537,226 | 6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize): | |
| 2 Income included on Sch. K, ln. 1 through 4, 6, and 7, not recorded on books this year (itemize): | | a Tax-exempt interest \$ | |
| 3 Guaranteed payments (other than health insurance) | | | |
| 4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize): | | 7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize): | |
| a Depreciation \$ | | a Depreciation \$ | |
| b Travel and entertainment \$ | | | |
| 5 Add lines 1 through 4 | 537,226 | 8 Add lines 6 and 7 | |
| | | 9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 | 537,226 |

Schedule M-2 Analysis of Partners' Capital Accounts

| | | | |
|--------------------------------|-------------------|---|-----------------|
| 1 Balance at beginning of year | -1,089,310 | 6 Distributions: a Cash | 400,000 |
| 2 Capital contributed: a Cash | | b Property | |
| b Property | | 7 Other decreases (itemize): | |
| 3 Net income (loss) per books | 537,226 | | |
| 4 Other increases (itemize): | | 8 Add lines 6 and 7 | 400,000 |
| 5 Add lines 1 through 4 | -552,084 | 9 Balance at end of year. Subtract ln. 8 from ln. 5 | -952,084 |

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DORMAN-CD 000923

Form 1065 (2002)

Form **8825****Rental Real Estate Income and Expenses of a
Partnership or an S Corporation**

OMB No. 1545-1186

2002Department of the Treasury
Internal Revenue Service

▶ See instructions on back.

▶ Attach to Form 1065, Form 1065-B, or Form 1120S.

Name

Employer identification number

CAPTAIN PARKER ARMS**04-6161511****1** Show the kind and location of each property. See page 2 for additional properties.**APT BLDGS****A LEXINGTON, MA****B****C****D**

| | | Properties | | | |
|-----------------------------|---|------------|------------------|---|---|
| Rental Real Estate Income | | A | B | C | D |
| 2 | Gross rents | 2 | 1,445,398 | | |
| Rental Real Estate Expenses | | | | | |
| 3 | Advertising | 3 | | | |
| 4 | Auto and travel | 4 | | | |
| 5 | Cleaning and maintenance | 5 | | | |
| 6 | Commissions | 6 | 5,978 | | |
| 7 | Insurance | 7 | 19,462 | | |
| 8 | Legal and other professional fees | 8 | 14,000 | | |
| 9 | Interest | 9 | 248,300 | | |
| 10 | Repairs | 10 | 51,378 | | |
| 11 | Taxes | 11 | 95,503 | | |
| 12 | Utilities | 12 | 146,737 | | |
| 13 | Wages and salaries | 13 | 51,470 | | |
| 14 | Depreciation (see instructions) | 14 | 128,116 | | |
| 15 | Other (list) ▶ SEE STATEMENT 5 | 15 | 150,312 | | |
| 16 | Total expenses for each property. Add lines 3 through 15 | 16 | 911,256 | | |

| | | | |
|------------|--|------------|------------------|
| 17 | Total gross rents. Add gross rents from line 2, columns A through H | 17 | 1,445,398 |
| 18 | Total expenses. Add total expenses from line 16, columns A through H | 18 | (911,256) |
| 19 | Net gain (loss) from Form 4797, Part II, line 18, from the disposition of property from rental real estate activities | 19 | |
| 20a | Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1) | 20a | |
| b | Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed: | | |
| | (1) Name | | |
| | (2) EIN | | |
| 21 | Net income (loss) from rental real estate activities. Combine lines 17 through 20a. Enter the result here and on: ● Form 1065 or 1120S: Schedule K, line 2, or ● Form 1065-B: Part I, line 4 | 21 | 534,142 |

For Paperwork Reduction Act Notice, see back of form.

Form **8825** (2002)

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DORMAN-CD 000924

Form **4562****Depreciation and Amortization**

OMB No. 1545-0172

(Including Information on Listed Property)

2002Department of the Treasury
Internal Revenue Service

▶ See separate instructions.

▶ Attach to your tax return.

Attachment
Sequence No. **67**

Name(s) shown on return

CAPTAIN PARKER ARMS

Identifying number

04-6161511

Business or activity to which this form relates

APT BLDGS**Part I****Election To Expense Certain Tangible Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

| | | | |
|----------|--|----------|----------------|
| 1 | Maximum amount. See page 2 of the instructions for a higher limit for certain businesses | 1 | 24,000 |
| 2 | Total cost of section 179 property placed in service (see page 2 of the instructions) | 2 | |
| 3 | Threshold cost of section 179 property before reduction in limitation | 3 | 200,000 |
| 4 | Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 | Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see pg. 2 of the instr. | 5 | |

| (a) Description of property | | (b) Cost (business use only) | (c) Elected cost |
|-----------------------------|--|------------------------------|------------------|
| 6 | | | |
| 7 | Listed property. Enter the amount from line 29 | 7 | |
| 8 | Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 | Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | |
| 10 | Carryover of disallowed deduction from line 13 of your 2001 Form 4562 | 10 | |
| 11 | Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11 | |
| 12 | Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | |
| 13 | Carryover of disallowed deduction to 2003. Add lines 9 and 10, less line 12 | 13 | |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II****Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

| | | | |
|-----------|--|-----------|---------------|
| 14 | Special depreciation allowance for qualified prop. (other than listed prop.) placed in service during the tax year (see pg. 3 of the instr.) | 14 | 1,529 |
| 15 | Property subject to section 168(f)(1) election (see page 4 of the instructions) | 15 | |
| 16 | Other depreciation (including ACRS) (see page 4 of the instructions) | 16 | 93,786 |

Part III**MACRS Depreciation (Do not include listed property.) (See page 4 of the instructions.)****Section A**

| | | | |
|-----------|--|-----------|---------------|
| 17 | MACRS deductions for assets placed in service in tax years beginning before 2002 | 17 | 32,087 |
| 18 | If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/> | | |

Section B-Assets Placed in Service During 2002 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only-see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|---------------------------------------|--------------------------------------|--|---------------------|----------------|--------------|----------------------------|
| 19a 3-year property | | | | | | |
| b 5-year property | | 3,568 | 5.0 | HY | 200DB | 714 |
| c 7-year property | | | | | | |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | | 25 yrs. | | S/L | |
| h Residential rental property | | | 27.5 yrs. | MM | S/L | |
| i Nonresidential real property | | | 27.5 yrs. | MM | S/L | |
| | | | 39 yrs. | MM | S/L | |
| | | | | MM | S/L | |

Section C-Assets Placed in Service During 2002 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|-----------------------|--|--|---------|----|-----|--|
| 20a Class life | | | | | S/L | |
| b 12-year | | | 12 yrs. | | S/L | |
| c 40-year | | | 40 yrs. | MM | S/L | |

Part IV**Summary (see page 6 of the instructions)**

| | | | |
|-----------|--|-----------|----------------|
| 21 | Listed property. Enter amount from line 28 | 21 | |
| 22 | Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr. | 22 | 128,116 |
| 23 | For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2002)

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THERE ARE NO AMOUNTS FOR PAGE 2

DORMAN-CD 000932

04-6161511

Federal Statements

Statement 1 - Form 1065, Sch K, Ln 24 - Oth Items Reported Separately to Partners

| Description | Amount |
|--------------------------|-----------|
| SEC 754/743 DEPRECIATION | \$ 41,550 |

DORMAN-CD 000933

04-6161511

Federal Statements**Statement 2 - Form 1065, Schedule L, Line 6 - Other Current Assets**

| Description | Beginning of Year | End of Year |
|------------------|----------------------|----------------|
| PREPAID EXPENSES | \$ 0 | \$ 5,329 |
| TOTAL | \$ 0 | \$ 5,329 |

Statement 3 - Form 1065, Schedule L, Line 13 - Other Assets

| Description | Beginning of Year | End of Year |
|-------------------|----------------------|----------------|
| SECURITY DEPOSITS | \$ 89,967 | \$ 91,493 |
| TOTAL | \$ 89,967 | \$ 91,493 |

Statement 4 - Form 1065, Schedule L, Line 17 - Other Current Liabilities

| Description | Beginning of Year | End of Year |
|---------------------------|----------------------|----------------|
| SECURITY DEPOSITS | \$ 98,478 | \$ 93,260 |
| WITHHELD & ACCR P/R TAXES | 1,474 | 1,520 |
| ACCRUED EXPENSES | 14,000 | 3,342 |
| PREPAID RENT LIABILITY | 2,890 | 33,790 |
| TOTAL | \$ 116,842 | \$ 131,912 |

DORMAN-CD 000934

04-6161511

Federal Statements**Statement 5 - APT BLDGS - Form 8825 - Other Expense**

| <u>Description</u> | <u>Amount</u> |
|----------------------|-------------------|
| MANAGEMENT FEES | \$ 57,000 |
| OFFICE EXPENSES | 840 |
| SNOW REMOVAL | 1,983 |
| GROUNDS/LANDSCAPE | 30,823 |
| TELEPHONE | 1,186 |
| PAINTING | 25,271 |
| TRUCK RENTAL/REPAIRS | 3,230 |
| RUBBISH REMOVAL | 10,814 |
| MISCELLANEOUS | 9,759 |
| TRUSTEE FEES | 4,125 |
| CASUAL LABOR | 2,423 |
| SUPPLIES | 2,858 |
| TOTAL | \$ <u>150,312</u> |

DORMAN-CD 000935

| | | | | |
|--|--|--|---|-------------|
| Form 1065 | | Rent and Royalty Schedule | | 2002 |
| State | | For calendar year 2002, or tax year beginning , and ending | | |
| Name CAPTAIN PARKER ARMS | | | Employer Identification Number 04-6161511 | |
| Property Description APT BLDGS LEXINGTON, MA | | | Type of Property Rental Real Estate <input checked="" type="checkbox"/> Other Rental Property <input type="checkbox"/> Royalty Property <input type="checkbox"/> | |
| Is the net income (loss) from this property included in the computation of self employment income? | | | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | |

Income and Expenses

Income

Gross rents
Gross royalties
Other income
Income from sale of property reported on Form 4797, Line 18
Total gross income

1,445,398

1,445,398

Expense

| | |
|--------------------------|-----------------|
| Advertising | ..... |
| Auto and travel | ..... |
| Cleaning and maintenance | ..... |
| Commissions | ..... |
| Insurance | ..... |
| Legal and professional | ..... |
| Interest | ..... |
| Repairs | ..... |
| Taxes | ..... |
| Utilities | ..... |
| Wages and salaries | ..... |
| Depreciation | ..... |
| Other expenses | SEE STMT |

5,978

19,462

14,000

248,300

51,378

95,503

146,737

51,470

128,116

150,312

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

911,256

Total expenses

Less % personal use

Net deductible expenses _____

911,256

Net income or loss from this property

534,142

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| | | | | |
|--|--|--|---|-------------------|
| Form 1065 | | U.S. Return of Partnership Income | | OMB No. 1545-0099 |
| Department of the Treasury Internal Revenue Service | | For calendar year 2003, or tax year beginning _____, and ending _____ ▶ See separate instructions. | | 2003 |
| Principal business activity REAL ESTATE | Use the IRS label. Other-wise, print or type. | Name of partnership CAPTAIN PARKER ARMS REALTY TRUST C/O THE DOLBEN CO., INC. | D Employer identification number 04-6161511 | |
| Principal product or service RENTALS | | Number, street, and room or suite no. If a P.O. box, see page 14 of the instructions. 25 CORPORATE DR #210 | E Date business started 1/01/65 | |
| Business code number 531110 | | City or town, state, and ZIP code BURLINGTON MA 01803 | F Total assets (see page 14 of the instructions) \$ 2,472,074 | |

i Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☒ Address change (5) ☐ Amended return
 l Check accounting method: (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other (specify) ▶ _____
 Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ _____ **7**

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

| | | | | |
|--|---|-----|----------------|--------------|
| Income | 1a Gross receipts or sales | 1a | | 1c |
| | b Less returns and allowances | 1b | | |
| | 2 Cost of goods sold (Schedule A, line 8) | | | 2 |
| | 3 Gross profit. Subtract line 2 from line 1c | | | 3 |
| | 4 Ordinary income (loss) from other partnerships, estates, and trusts (attach sch.) | | | 4 |
| | 5 Net farm profit (loss) (attach Schedule F (Form 1040)) | | | 5 |
| | 6 Net gain (loss) from Form 4797, Part II, line 18 | | | 6 |
| | 7 Other income (loss) (attach schedule) | | | 7 |
| 8 Total income (loss). Combine lines 3 through 7 | | | 8 | |
| Deductions See page 15 of the instructions for limitations | 9 Salaries and wages (other than to partners) (less employment credits) | | | 9 |
| | 10 Guaranteed payments to partners | | | 10 |
| | 11 Repairs and maintenance | | | 11 |
| | 12 Bad debts | | | 12 |
| | 13 Rent | | | 13 |
| | 14 Taxes and licenses | | | 14 |
| | 15 Interest | | | 15 |
| | 16a Depreciation (if required, attach Form 4562) | 16a | 138,232 | |
| | b Less depreciation reported on Schedule A and elsewhere on return | 16b | 138,232 | 16c 0 |
| | 17 Depletion (Do not deduct oil and gas depletion.) | | | 17 |
| | 18 Retirement plans, etc. | | | 18 |
| | 19 Employee benefit programs | | | 19 |
| | 20 Other deductions (attach schedule) | | | 20 |
| 21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20 | | | 21 0 | |
| 22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8 | | | 22 | |

| | | | | |
|--|---|--|---|---------------------|
| Signature Signature of general partner or limited liability company member | Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge. | | May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| | Date 4/11/04 | | Preparer's SSN or PTIN 03-0452860 | |
| Preparer's Use Only | Preparer's signature | Firm's name (or yours if self-employed), address, and ZIP code | EIN | Phone no. |
| | KEANE, CHIUVE & COMPANY PC 66 ELM ST DANVERS, MA | 01923-2838 | 03-0452860 | 978-777-4500 |

or Paperwork Reduction Act Notice, see separate instructions.

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Form 1065 (2003)

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Form 1065 (2003) C/O THE DOLBEN CO., INC.

04-6161511

Page 2

Schedule A Cost of Goods Sold (see page 18 of the instructions)

| | | | |
|---|---|---|--|
| 1 | Inventory at beginning of year | 1 | |
| 2 | Purchases less cost of items withdrawn for personal use | 2 | |
| 3 | Cost of labor | 3 | |
| 4 | Additional section 263A costs (attach schedule) | 4 | |
| 5 | Other costs (attach schedule) | 5 | |
| 6 | Total. Add lines 1 through 5 | 6 | |
| 7 | Inventory at end of year | 7 | |
| 8 | Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2 | 8 | |

3a Check all methods used for valuing closing inventory:

- (i) ☐ Cost as described in Regulations section 1.471-3
 (ii) ☐ Lower of cost or market as described in Regulations section 1.471-4
 (iii) ☐ Other (specify method used and attach explanation) ▶

- b** Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ☐ Yes ☐ No
c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ☐ Yes ☐ No
d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? ☐ Yes ☐ No
e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No
 If "Yes," attach explanation.

Schedule B Other Information

| 1 What type of entity is filing this return? Check the applicable box: | | Yes | No |
|--|--|-----|----|
| a <input checked="" type="checkbox"/> Domestic general partnership | b <input type="checkbox"/> Domestic limited partnership | | |
| c <input type="checkbox"/> Domestic limited liability company | d <input type="checkbox"/> Domestic limited liability partnership | | |
| e <input type="checkbox"/> Foreign partnership | f <input type="checkbox"/> Other ▶ | | |
| 2 Are any partners in this partnership also partnerships? | | | X |
| 3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment | | | X |
| 4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see Designation of Tax Matters Partner below | | | X |
| 5 Does this partnership meet all three of the following requirements? a The partnership's total receipts for the tax year were less than \$250,000; b The partnership's total assets at the end of the tax year were less than \$600,000; and c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return. If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 | | | X |
| 6 Does this partnership have any foreign partners? If "Yes," the partnership may have to file Forms 8804, 8805 and 8813. See page 20 of the instructions | | | X |
| 7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? | | | X |
| 8 Has this partnership filed, or is it required to file, Form 8264, Application for Registration of a Tax Shelter? | | | X |
| 9 At any time during calendar year 2003, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ▶ | | | X |
| 10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 20 of the instructions | | | X |
| 11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under Elections Made By the Partnership on page 9 of the instructions | | | X |
| 12 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return ▶ | | | |

Designation of Tax Matters Partner (see page 20 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **CHARLENE DORMAN** Identifying number of TMP ▶ **018-32-5649**
 Address of designated TMP ▶ **320 ARLINGTON WAY**
MENLO PARK CA 94025

AA Form 1065 (2003)

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orm 1065 (2003) C/O THE DOLBEN CO., INC.

04-6161511

Page 3

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

| (a) Distributive share items | | (b) Total amount | |
|---|---|------------------|---------|
| Income (loss) | 1 Ordinary income (loss) from trade or business activities (page 1, line 22) | 1 | |
| | 2 Net income (loss) from rental real estate activities (attach Form 8825) | 2 | 531,139 |
| | 3a Gross income from other rental activities | 3a | |
| | b Expenses from other rental activities (attach schedule) | 3b | |
| | c Net income (loss) from other rental activities. Subtract line 3b from line 3a | 3c | |
| | 4 Portfolio income (loss) (attach Schedule D (Form 1065) for lines 4d and 4e): | | |
| | a Interest income | 4a | 357 |
| | b Dividends: (1) Qualified dividends (2) Total ordinary dividends | 4b(2) | |
| | c Royalty income | 4c | |
| | d Net short-term capital gain (loss): (1) post-May 5, 2003 (2) Entire year | 4d(2) | |
| | e Net long-term capital gain (loss): (1) post-May 5, 2003 (2) Entire year | 4e(2) | |
| | f Other portfolio income (loss) (attach schedule) | 4f | |
| | 5 Guaranteed payments to partners | 5 | |
| 6a Net section 1231 gain (loss) (post-May 5, 2003) (attach Form 4797) | 6a | | |
| b Net section 1231 gain (loss) (entire year) (attach Form 4797) | 6b | | |
| 7 Other income (loss) (attach schedule) | 7 | | |
| Deductions | 8 Charitable contributions (attach schedule) | 8 | |
| | 9 Section 179 expense deduction (attach Form 4562) | 9 | 0 |
| | 10 Deductions related to portfolio income (itemize) | 10 | |
| | 11 Other deductions (attach schedule) | 11 | |
| Credits | 12a Low-income housing credit: (1) From partnerships to which section 42(j)(5) applies (2) Other than on line 12a(1) | 12a(1) | |
| | b Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468) | 12b | |
| | c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities | 12c | |
| | d Credits related to other rental activities | 12d | |
| | 13 Other credits | 13 | |
| Investment interest | 14a Interest expense on investment debts | 14a | |
| | b (1) Investment income included on lines 4a, 4b(2), 4c, and 4f above (2) Investment expenses included on line 10 above | 14b(1) | 357 |
| Self- employ- ment | 15a Net earnings (loss) from self-employment | 15a | |
| | b Gross farming or fishing income | 15b | |
| | c Gross nonfarm income | 15c | |
| Adjust- ments and Tax Preference Items | 16a Depreciation adjustment on property placed in service after 1986 | 16a | 957 |
| | b Adjusted gain or loss | 16b | |
| | c Depletion (other than oil and gas) | 16c | |
| | d (1) Gross income from oil, gas, and geothermal properties (2) Deductions allocable to oil, gas, and geothermal properties | 16d(1) | |
| | e Other adjustments and tax preference items (attach schedule) | 16e | |
| Foreign taxes | 17a Name of foreign country or U.S. possession | | |
| | b Gross income from all sources | 17b | |
| | c Gross income sourced at partner level | 17c | |
| | d Foreign gross income sourced at partnership level: | | |
| | (1) Passive (2) Listed categories (attach schedule) (3) General limitation | 17d(3) | |
| | e Deductions allocated and apportioned at partner level: | | |
| | (1) Interest expense (2) Other | 17e(2) | |
| | f Deductions allocated & apportioned at partner level to foreign source income: | | |
| (1) Passive (2) Listed categories (attach schedule) (3) General limitation | 17f(3) | | |
| g Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/> | 17g | | |
| h Reduction in taxes available for credit (attach schedule) | 17h | | |
| Other | 18 Section 59(e)(2) expenditures: | | |
| | a Type b Amount | 18b | |
| | 19 Tax-exempt interest income | 19 | |
| | 20 Other tax-exempt income | 20 | |
| | 21 Nondeductible expenses | 21 | |
| | 22 Distributions of money (cash and marketable securities) | 22 | 565,000 |
| | 23 Distributions of property other than money | 23 | |
| 24 Other items and amounts required to be reported separately to partners (attach schedule) | 24 | Stat. 1. | |

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Form 1065 (2003)

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C/O THE DOLBEN CO., INC.

04-6161511

Page 4

Analysis of Net Income (Loss)

| | | | | | | | |
|--|---------------|--------------------------|----------------------------|------------------|-------------------------|--------------------|---------|
| 1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17g, and 18b | | | | | | 1 | 531,496 |
| 2 Analysis by partner type: | (i) Corporate | (ii) Individual (active) | (iii) Individual (passive) | (iv) Partnership | (v) Exempt organization | (vi) Nominee/Other | |
| a General partners | | | 531,496 | | | | |
| b Limited partners | | | | | | | |

Note: Schedules L, M-1 and M-2 are not required if Question 5 of Schedule B is answered "Yes."

| Schedule L Balance Sheets per Books | | Beginning of tax year | | End of tax year | |
|--|------------|-----------------------|-----------|-----------------|-----------|
| Assets | | (a) | (b) | (c) | (d) |
| 1 Cash | | | 256,354 | | 205,752 |
| 2a Trade notes and accounts receivable | | | | 8,188 | |
| b Less allowance for bad debts | | | | | 8,188 |
| 3 Inventories | | | | | |
| 4 U.S. government obligations | | | | | |
| 5 Tax-exempt securities | | | | | |
| 6 Other current assets (attach schedule) | See Stmt 2 | | 5,329 | | 8,398 |
| 7 Mortgage and real estate loans | | | | | |
| 8 Other investments (attach schedule) | | | | | |
| 9a Buildings and other depreciable assets | | 3,923,310 | | 3,928,398 | |
| b Less accumulated depreciation | | 1,719,312 | 2,203,998 | 1,819,514 | 2,108,884 |
| 10a Depletable assets | | | | | |
| b Less accumulated depletion | | | | | |
| 11 Land (net of any amortization) | | | 36,338 | | 36,338 |
| 12a Intangible assets (amortizable only) | | | | | |
| b Less accumulated amortization | | | | | |
| 13 Other assets (attach schedule) | See Stmt 3 | | 91,493 | | 104,514 |
| 14 Total assets | | | 2,593,512 | | 2,472,074 |
| Liabilities and Capital | | | | | |
| 15 Accounts payable | | | 64,080 | | 57,409 |
| 16 Mortgages, notes, bonds payable in less than 1 year | | | 129,604 | | 147,922 |
| 17 Other current liabilities (attach schedule) | See Stmt 4 | | 131,912 | | 197,079 |
| 18 All nonrecourse loans | | | | | |
| 19 Mortgages, notes, bonds payable in 1 year or more | | | 3,220,000 | | 3,055,252 |
| 20 Other liabilities (attach schedule) | | | | | |
| 21 Partners' capital accounts | | | -952,084 | | -985,588 |
| 22 Total liabilities and capital | | | 2,593,512 | | 2,472,074 |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

| | | | |
|---|---------|--|---------|
| 1 Net income (loss) per books | 531,496 | 6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize): | |
| 2 Income included on Sch. K, In. 1 through 4, 6b, and 7, not recorded on books this year (itemize): | | a Tax-exempt interest \$ | |
| 3 Guaranteed payments (other than health insurance) | | 7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize): | |
| 4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize): | | a Depreciation \$ | |
| a Depreciation \$ | | 8 Add lines 6 and 7 | |
| b Travel and entertainment \$ | | 9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 | 531,496 |
| 5 Add lines 1 through 4 | 531,496 | | |

Schedule M-2 Analysis of Partners' Capital Accounts

| | | | |
|--------------------------------|----------|---|----------|
| 1 Balance at beginning of year | -952,084 | 6 Distributions: a Cash | 565,000 |
| 2 Capital contributed: a Cash | | b Property | |
| b Property | | 7 Other decreases (itemize): | |
| 3 Net income (loss) per books | 531,496 | 8 Add lines 6 and 7 | 565,000 |
| 4 Other increases (itemize): | | 9 Balance at end of year. Subtract line 8 from line 5 | -985,588 |
| 5 Add lines 1 through 4 | -420,588 | | |

1A

Form 1065 (2003)

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rm 8825

Department of the Treasury
Internal Revenue ServiceRental Real Estate Income and Expenses of a
Partnership or an S Corporation

▶ See instructions on back.

▶ Attach to Form 1065, Form 1065-B, or Form 1120S.

OMB No. 1545-1186

2003

me

C/O THE DOLBEN CO., INC.

Employer identification number
04-6161511

Show the kind and location of each property. See page 2 for additional properties.

APARTMENT BLDGS
LEXINGTON, MA

| Rental Real Estate Income | | Properties | | | |
|---|----|------------|---|---|---|
| | | A | B | C | D |
| Gross rents | 2 | 1,524,195 | | | |
| Rental Real Estate Expenses | | | | | |
| Advertising | 3 | 18,422 | | | |
| Auto and travel | 4 | | | | |
| Cleaning and maintenance | 5 | | | | |
| Commissions | 6 | | | | |
| Insurance | 7 | 15,934 | | | |
| Legal and other professional fees | 8 | 17,076 | | | |
| Interest | 9 | 205,112 | | | |
| Repairs | 10 | 110,195 | | | |
| Taxes | 11 | 69,592 | | | |
| Utilities | 12 | 189,778 | | | |
| Wages and salaries | 13 | 93,284 | | | |
| Depreciation (see instructions) | 14 | 138,232 | | | |
| Other (list) ▶ | | | | | |
| See Statement 5 | 15 | 135,431 | | | |
| Total expenses for each property. Add lines 3 through 15 | 16 | 993,056 | | | |

| | | | |
|----------|--|-----|-----------|
| 7 | Total gross rents. Add gross rents from line 2, columns A through H | 17 | 1,524,195 |
| 8 | Total expenses. Add total expenses from line 16, columns A through H | 18 | 993,056 |
| 9 | Net gain (loss) from Form 4797, Part II, line 18, from the disposition of property from rental real estate activities | 19 | |
| 0a | Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1) | 20a | |
| b | Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed: | | |
| (1) Name | (2) Employer ID number | | |
| | | | |
| | | | |
| 11 | Net income (loss) from rental real estate activities. Combine lines 17 through 20a. Enter the result here and on: | 21 | 531,139 |
| | • Form 1065 or 1120S: Schedule K, line 2, or | | |
| | • Form 1065-B: Part I, line 4 | | |

For Paperwork Reduction Act Notice, see back of form.

Form 8825 (2003)

JAA

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| | | |
|--|--|---|
| Form 4562 Department of the Treasury Internal Revenue Service | Depreciation and Amortization (Including Information on Listed Property) ▶ See separate instructions. ▶ Attach to your tax return. | OMB No. 1545-0172 2003 Attachment Sequence No. 67 |
| Name(s) shown on return C/O THE DOLBEN CO., INC. | | Identifying number 04-6161511 |

Business or activity to which this form relates

APT BLDGS**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

| | | |
|---|---|---------|
| 1 Maximum amount. See page 2 of the instructions for a higher limit for certain businesses | 1 | 100,000 |
| 2 Total cost of section 179 property placed in service (see page 2 of the instructions) | 2 | |
| 3 Threshold cost of section 179 property before reduction in limitation | 3 | 400,000 |
| 4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions | 5 | |

| (a) Description of property | (b) Cost (business use only) | (c) Elected cost | |
|---|------------------------------|------------------|--|
| 6 | | | |
| 7 Listed property. Enter the amount from line 29 | 7 | | |
| 8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | | |
| 9 Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | | |
| 10 Carryover of disallowed deduction from line 13 of your 2002 Form 4562 | 10 | | |
| 11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11 | | |
| 12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | | |
| 13 Carryover of disallowed deduction to 2004. Add lines 9 and 10, less line 12 | 13 | | |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

| | | |
|---|----|---------|
| 14 Special depreciation allowance for qualified prop. (other than listed prop.) placed in service during the tax year (see pg. 3 of the instr.) | 14 | 11,288 |
| 15 Property subject to section 168(f)(1) election (see page 4 of the instructions) | 15 | |
| 16 Other depreciation (including ACRS) (see page 4 of the instructions) | 16 | 102,886 |

Part III MACRS Depreciation (Do not include listed property.) (See page 4 of the instructions.)**Section A**

| | | |
|---|----|--------|
| 17 MACRS deductions for assets placed in service in tax years beginning before 2003 | 17 | 22,831 |
| 18 If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/> | 18 | |

Section B-Assets Placed in Service During 2003 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only-see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 19a 3-year property | | | | | | |
| b 5-year property | | 3,724 | 5.0 | MQ | 200DB | 186 |
| c 7-year property | | 7,563 | 7.0 | MQ | 200DB | 699 |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | | 25 yrs. | | S/L | |
| h Residential rental property | 7/01/03 | 7,703 | 27.5 yrs. | MM | S/L | 128 |
| i Nonresidential real property | 7/01/03 | 12,838 | 27.5 yrs. | MM | S/L | 214 |
| | | | 39 yrs. | MM | S/L | |

Section C-Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|----------------|--|--|---------|----|-----|--|
| 20a Class life | | | | | S/L | |
| b 12-year | | | 12 yrs. | | S/L | |
| c 40-year | | | 40 yrs. | MM | S/L | |

Part IV Summary (see page 6 of the instructions)

| | | |
|--|----|---------|
| 21 Listed property. Enter amount from line 28 | 21 | |
| 22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr. | 22 | 138,232 |
| 23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2003)

DAA

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There are no amounts for Page 2

CAP1511 CAPTAIN PARKER ARMS REALTY TRUST
04-6161511
FYE: 12/31/2003

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Federal Statements

Statement 1 - Form 1065, Sch K, Ln 24 - Oth Items Reported Separately to Partners

| Description | Amount |
|--------------------------|-----------|
| SEC 754/743 DEPRECIATION | \$ 41,550 |

DORMAN-CD 001012

CAP1511 CAPTAIN PARKER ARMS REALTY TRUST
 04-6161511
 FYE: 12/31/2003

4/11/2004 11:03 PM

Federal Statements

Statement 2 - Form 1065, Schedule L, Line 6 - Other Current Assets

| Description | Beginning of Year | End of Year |
|------------------|----------------------|----------------|
| PREPAID EXPENSES | \$ 5,329 | \$ 8,398 |
| Total | \$ 5,329 | \$ 8,398 |

Statement 3 - Form 1065, Schedule L, Line 13 - Other Assets

| Description | Beginning of Year | End of Year |
|-------------------|----------------------|----------------|
| SECURITY DEPOSITS | \$ 91,493 | \$ 104,514 |
| Total | \$ 91,493 | \$ 104,514 |

Statement 4 - Form 1065, Schedule L, Line 17 - Other Current Liabilities

| Description | Beginning of Year | End of Year |
|---------------------------|----------------------|----------------|
| SECURITY DEPOSITS | \$ 93,260 | \$ 104,514 ✓ |
| WITHHELD & ACCR P/R TAXES | 1,520 | |
| ACCRUED EXPENSES | 3,342 | 85,339 ✓ |
| PREPAID RENT LIABILITY | 33,790 | |
| ACCRUED INTEREST | | 7,226 ✓ |
| Total | \$ 131,912 | \$ 197,079 |

DORMAN-CD 001013

CAP1511 CAPTAIN PARKER ARMS REALTY TRUST
04-6161511
FYE: 12/31/2003

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Federal Statements**Statement 5 - APARTMENT BLDGS - Form 8825 - Other Expense**

| <u>Description</u> | <u>Amount</u> |
|--------------------|---------------|
| MANAGEMENT FEES | \$ 78,968 |
| OFFICE EXPENSES | 14,365 |
| SNOW REMOVAL | 11,673 |
| GROUND/SCAPE | 15,575 |
| RUBBISH REMOVAL | 14,267 |
| MISCELLANEOUS | 583 |
| Total | \$ 135,431 |

DORMAN-CD 001014

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| Rent and Royalty Schedule | | 2003 |
|---|--|------------|
| Form 1065 | For calendar year 2003, or tax year beginning _____, and ending _____ | |
| State _____ | Employer Identification Number | |
| ame _____ | | 04-6161511 |
| C/O THE DOLBEN CO., INC. | | |
| Property Description APARTMENT BLDGS LEXINGTON, MA | Type of Property Rental Real Estate <input checked="" type="checkbox"/> Other Rental Property <input type="checkbox"/> Royalty Property <input type="checkbox"/> | |
| Is the net income (loss) from this property included in the computation of self employment income? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Is the net income (loss) from this property included in the computation of Section 179 business income? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | |

Income and Expenses**Income**

| | | |
|---|-----------|------------------|
| Gross rents | 1,514,956 | |
| Gross royalties | | |
| Other income | 9,239 | |
| Income from sale of property reported on Form 4797, Line 18 | | |
| Total gross income | | 1,524,195 |

Expense

| | | |
|--|----------------|----------------|
| Advertising | 18,422 | |
| Auto and travel | | |
| Cleaning and maintenance | | |
| Commissions | | |
| Insurance | 15,934 | |
| Legal and professional | 17,076 | |
| Interest | 205,112 | |
| Repairs | 110,195 | |
| Taxes | 69,592 | |
| Utilities | 189,778 | |
| Wages and salaries | 93,284 | |
| Depreciation | 138,232 | |
| Other expenses See Stmt | 135,431 | |
| Total expenses | 993,056 | |
| Less % personal use | | |
| Net deductible expenses | | 993,056 |
| Net income or loss from this property | | 531,139 |